

September 17, 2018

The Honorable Elaine Chao
Secretary
U.S. Department of Transportation
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Secretary Chao:

I am writing to share concerns about the U.S. Department of Transportation (USDOT) and Federal Transit Administration's (FTA) implementation of the Capital Investment Grant (CIG) program. The CIG program provides critical support to communities that have chosen to invest in local mobility and economic development by building public transit projects. Unfortunately, this critical investment is undermined by delays in obligating federal funds. To date, the administration has failed to obligate the overwhelming majority of funding appropriated since FY17. This undermines the administration's stated goal of cutting red tape and building infrastructure. We therefore urge you to expeditiously advance projects, working cooperatively with project sponsors.

We further suggest that you review your method of communicating the status of projects by providing regular, detailed updates to public and project sponsors. This should include specific information about what remains to advance a project, an expected timeline, and what fiscal year funding will be used for a project.

Congress has rejected the administration's plan to end the CIG program and, instead, provided the FTA with about \$2.3 billion to build new and expand existing transit. Based on the limited information publicly available from your agency, there are 16 projects in 13 communities expecting this funding. While some grants have been awarded, USDOT appears to be delaying many projects while not providing project sponsors with the information they need to address the issues USDOT cites as cause for delay. Congress has been clear: USDOT's mission is to advance projects through the pipeline and award grants.

Local communities and businesses are harmed by this delay, which has caused bulldozers and heavy machinery to sit idle while prices for steel and other materials increase. Potential construction workers are waiting to hear about jobs that should have already materialized, and everyday travelers counting on improved transit service are left wondering when FTA/USDOT will allow these projects to move forward. In addition, local tax payers are wondering whether FTA/USDOT will be the partner they expected when they agreed to raise their own revenue to match federal funding.

In creating the CIG program, Congress created a process or "pipeline," specified in statute, governing how FTA shall advance eligible projects and ultimately award funding. Previous

administrations, both Democratic and Republican, have implemented the program consistent with statute and congressional intent.

In its FY19 Annual Report of Funding Recommendations,¹ USDOT through FTA states its preference for the pipeline to grind to a halt completely, leaving cities and communities on their own to raise yet more local funding than they already have to complete their projects: (emphasis ours)

"The FY 2019 proposal limits funding for the CIG Program to projects with existing full funding grant agreements. For the remaining projects in the CIG program, FTA is not requesting or recommending funding. Future investments in new transit projects would be funded by the localities that use and benefit from these localized projects."

This position puts the FTA at risk of violating federal law, according to GAO.²

With only \$457 million obligated to date from the FY17 and FY18 appropriations how will FTA obligate all of these funds by the statutory deadline next year? What assurances does the public have that you will obligate any of the funding to the 16 projects in waiting when you have already publicly stated that "none of the projects were eligible" for funding?

This is why Transportation for America launched Stuck in the Station.³ We are providing the public with information on how long it has been since Congress provided FY17 and FY18 funding, and when that funding is obligated. We intend to continue to draw attention to these delays until these funds are obligated. Local communities have waited long enough.

Sincerely,



Kevin F. Thompson
Director, Transportation for America

Cc:
Deputy Secretary Jeffrey Rosen
Acting Federal Transit Administrator Jane Williams

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<https://www.transit.dot.gov/sites/fta.dot.gov/files/docs/funding/grant-programs/capital-investments/69556/fy19-annual-report.pdf>

² <https://www.gao.gov/assets/700/692174.pdf>

³ <http://t4america.org/transitfundingdelays/>